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 and Third-Party Defendants
 the SS Companies

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF HAWAI'I

SPORTS SHINKO CO., LTD., a Japanese corporation,)	CIVIL NO. CV 04-00124
)	ACK/BMK
Plaintiff,)	CONSOLIDATED CASES
vs.)	SUPPLEMENTAL DECLARATION OF GLENN T. MELCHINGER IN SUPPORT OF PLAINTIFFS AND THIRD-PARTY DEFENDANTS SPORTS SHINKO CO., LTD., SPORTS SHINKO (USA) CO., LTD.,
Defendants,)	<i>[Caption continued to next page]</i>
and)	DATE: February 12, 2007
FRANKLIN K. MUKAI,)	TIME: 9:30 a.m.
)	JUDGE: Alan C. Kay
)	SPORTS SHINKO (HAWAII)

Third-Party Plaintiff,)
vs.)
SPORTS SHINKO (USA) CO.;)
LTD., a Delaware corporation, et)
al.,)
Third-Party)
Defendants.)

SPORTS SHINKO (USA) CO.,)
LTD., a Delaware corporation,)
Plaintiff,)
vs.)
PUKALANI GOLF CLUB, LLC, a)
Hawai`i limited liability company,)
et al.,)
CO., LTD., SPORTS SHINKO)
(MILILANI) CO., LTD.,)
SPORTS SHINKO (KAUAI))
CO., LTD., SPORTS SHINKO)
(PUKALANI) CO., LTD.,)
SPORTS SHINKO RESORT)
HOTEL CORPORATION,)
SPORTS SHINKO (WAIKIKI))
CORPORATION AND OCEAN)
RESORT HOTEL)
CORPORATION'S)
MEMORANDUM IN)
OPPOSITION TO)
DEFENDANTS KG HOLDINGS,)
LLC, QK HOTEL, LLC, OR)
HOTEL, LLC, PUKALANI)
GOLF CLUB, LLC, KG MAUI)
DEVELOPMENT, LLC,)
MILILANI GOLF CLUB, LLC,)
KIAHUNA GOLF CLUB, LLC)
AND KG KAUAI)
DEVELOPMENT, LLC'S)
MOTION TO DISMISS CV.)
NOS. 04-00125 ACK-BMK,)
04-00126 ACK-BMK AND)
04-00128 ACK-BMK FOR)
LACK OF SUBJECT MATTER)
JURISDICTION, FILED)
NOVEMBER 16, 2006;)
EXHIBITS "M-3" TO "M-6";)
CERTIFICATE OF SERVICE)
CIVIL NO. CV 04-00125)
ACK/BMK)

Defendants,)
and)
FRANKLIN K. MUKAI,)
Third-Party Plaintiff,)
vs.)
SPORTS SHINKO CO., LTD.,)
a Japan corporation, et al.,)
Third-Party)
Defendants.)

SPORTS SHINKO (USA) CO., LTD,) CIVIL NO. CV 04-00126
a Delaware corporation,) ACK/BMK
Plaintiff,)
vs.)
KIAHUNA GOLF CLUB, LLC,)
a Hawai'i limited liability)
company, et al.,)
Defendants,)
and)
FRANKLIN K. MUKAI,)
Third-Party)
Plaintiff,)
vs.)
SPORTS SHINKO CO., LTD.,)
a Japan corporation, et al.,)
Third-Party)
Defendants.)

SPORTS SHINKO CO., LTD., a Japanese corporation, Plaintiff, vs. OR HOTEL, LLC, a Hawai`i limited liability company, et al., Defendants, and FRANKLIN K. MUKAI, Third-Party Plaintiff, vs. SPORTS SHINKO (USA) CO., LTD., a Delaware corporation, et al., Third-Party Defendants. CIVIL NO. CV 04-00127 ACK/BMK

FRANKLIN K. MUKAI,)
Third-Party Plaintiff,)
vs.)
SPORTS SHINKO CO., LTD.,)
a Japan corporation, et al.,)
Third-Party)
Defendants.)

**SUPPLEMENTAL DECLARATION OF GLENN T. MELCHINGER IN
SUPPORT OF PLAINTIFFS AND THIRD-PARTY DEFENDANTS
SPORTS SHINKO CO., LTD., SPORTS SHINKO (USA) CO., LTD.,
SPORTS SHINKO (HAWAII) CO., LTD., SPORTS SHINKO
(MILILANI) CO., LTD., SPORTS SHINKO (KAUAI) CO., LTD.,
SPORTS SHINKO (PUKALANI) CO., LTD., SPORTS SHINKO
RESORT HOTEL CORPORATION, SPORTS SHINKO (WAIKIKI)
CORPORATION AND OCEAN RESORT HOTEL CORPORATION'S
MEMORANDUM IN OPPOSITION TO DEFENDANTS KG HOLDINGS,
LLC, QK HOTEL, LLC, OR HOTEL, LLC, PUKALANI GOLF CLUB,
LLC, KG MAUI DEVELOPMENT, LLC, MILILANI GOLF CLUB, LLC,
KIAHUNA GOLF CLUB, LLC AND KG KAUAI DEVELOPMENT,
LLC'S MOTION TO DISMISS CV. NOS. 04-00125 ACK-BMK,
04-00126 ACK-BMK AND 04-00128 ACK-BMK FOR LACK OF
SUBJECT MATTER JURISDICTION, FILED NOVEMBER 16, 2006**

I, GLENN T. MELCHINGER, declare as follows:

1. I am counsel for Plaintiff Sports Shinko (USA), Co. Ltd. ("SS USA"), Plaintiff Sports Shinko Co., Ltd. and the Sports Shinko Third Party Defendants in these consolidated actions (collectively "the Sports Shinko Companies"). I make this declaration

based on personal knowledge, and I am competent to testify to the matters set forth below.

2. This supplemental declaration is submitted in further support of the Sports Shinko Companies' Memorandum in Opposition (filed January 25, 2007) to Defendants KG Holdings, LLC, QK Hotel, LLC, OR Hotel, LLC, Pukalani Golf Club, LLC, KG Maui Development, LLC, Mililani Golf Club, LLC, Kiahuna Golf Club, LLC, and KG Kauai Development, LLC's (collectively the "Moving Defendants") Motion to Dismiss CV. Nos. 04-00125 ACH-BMK, 04-00126 ACK-BMK, and 04-00128 ACK-BMK for Lack of Subject Matter Jurisdiction, filed November 16, 2006.

3. This supplemental declaration is submitted pursuant to FRE 106, which provides that "[w]hen a writing or recorded statement or part thereof is introduced by a party, an adverse party may require the introduction at that time of any other part or any other writing or recorded statement which ought in fairness to be considered contemporaneously with it."

4. Moving Defendants attached as Exhibit 27 to their Reply Memorandum, filed February 1, 2007, two separate email exchanges involving Steve Iwamura, accountants at Grant Thornton, and me. With respect to the first such exchange at GT033674 to GT033675, however, Moving Defendants failed to submit the entire email exchange and the three documents attached to that exchange.

5. Attached as Exhibit “M-3” to this Declaration is a true and correct copy of the entire email exchange referenced above (at GT033674 – GT033678). At GT033676, in an email from Steve Iwamura to Doreen Griffith (Grant Thornton), Mr. Iwamura specifically references the need to change the address for **SS-Hawai`i**.

6. Attached as Exhibit “M-4” to this Declaration is a true and correct copy of a notification from the Internal Revenue Service for **SS-Hawai`i** with certain redactions. This was the document that was attached to the first email in this chain, from me to Tom Hayes (at GT033676 – GT033677) and that initiated the entire email exchange that follows about address changes.

7. Attached as Exhibit “M-5” to this Declaration is a true and correct copy of a notice of underpayment of taxes for “**Sports Shinko HI** Co. Ltd. & Subs” from the State of Hawai`i Department of Taxation with certain redactions. (Emphasis added.) This document was attached to my email to Doreen Griffith and Steve Iwamura dated December 19, 2003 (at GT033675 – GT033676).

8. Attached as Exhibit “M-6” to this Declaration is a true and correct copy of a Notice of Delinquency for “**Sports Shinko HI** Co. Ltd. & Subs” from the State of Hawai`i Department of Taxation with certain redactions. (Emphasis added.) This document was also

attached to my email to Doreen Griffith and Steve Iwamura dated December 19, 2003 (at GT033675 – GT033676).

I swear that the foregoing is true under penalties of perjury of the United States of America.

EXECUTED: Honolulu, Hawai`i, February 6, 2007.

/s/ Glenn Melchinger